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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054840
Party	Defendant Backcountry.com, Inc.
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Attachments	Registrant's Motion for Judgment on the Pleadings and for Summary Judgment.pdf (53 pages)(457668 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

NSM RESOURCES CORPORATION, | Cancellation No. 92054840

Petitioner, | Mark: DEPARTMENT OF GOODS

v. U.S. Registration No. 3,836,095

BACKCOUNTRY.COM, INC., | Mark: HUCKN ROLL

Registrant. | U.S. Registration No. 3,891,836

REGISTRANT'S MOTION FOR JUDGMENT ON THE PLEADINGS AND FOR SUMMARY JUDGMENT

Pursuant to Rule 12(c) of the Federal Rules of Civil Procedure, 37 C.F.R. §§ 2.127(a) and 2.127(d), and TBMP § 504, Registrant Backcountry.com, Inc. ("Backcountry") respectfully moves the Board for judgment on the pleadings dismissing the Petition for Cancellation (the "Petition") that Petitioner NSM Resources Corporation ("NSM") has filed with respect to U.S. Registration No. 3,836,095 for the mark DEPARTMENT OF GOODS. NSM has no standing to challenge the DEPARTMENT OF GOODS registration, and the Petition fails to state a claim in any event.

Backcountry also respectfully moves the Board pursuant to Rule 56(b) of the Federal Rules of Civil Procedure, 37 C.F.R. §§ 2.127(a) and 2.127(e)(1), and TBMP § 528, for summary judgment dismissing the Petition to cancel U.S. Registration No. 3,891,836 for the mark HUCKN ROLL, because the claim is barred by claim preclusion. Specifically, the Board has already *twice* dismissed *with prejudice* proceedings that NSM has filed against Backcountry with respect to the HUCKN ROLL mark—Opposition No. 91193594 and Cancellation No. 92053929. In any case, the Petition fails to state any claim for relief with respect to the HUCKN ROLL registration and should be dismissed under Rule 12(c). For these reasons, the Board should dismiss the Petition in its entirety.

ARGUMENT

I. NSM HAS NO STANDING TO CHALLENGE THE DEPARTMENT OF GOODS REGISTRATION, AND THE PETITION FAILS TO STATE ANY CLAIM.

The standard for a Rule 12(c) motion for judgment on the pleadings is the same as a Rule 12(b)(6) motion to dismiss for failure to state a claim. Western Worldwide Enterprises Group Inc. v. Qinqdao Brewery, 17 USPQ2d 1137, 1139 (TTAB 1990) (cited in TMBP § 504.01 n.4.) That is, the Petition "must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face." Ashcroft v. Iqbal, 129 S. Ct. 1937, 1949 (2009) (quoting Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 570 (2007) (italics added)); see also TBMP §§ 309.03(a)(2), 503.02. In other words, "[a] pleading that offers 'labels and conclusions' or 'a formulaic recitation of the elements of a cause of action will not do.'... Nor does a [petition] suffice if it tenders 'naked assertion[s]' devoid of 'further factual enhancement.'" Iqbal, 129 S. Ct. at 1949 (quoting Twombly, 550 U.S. at 555, 557). NSM's Petition does not come close to meeting this standard.

A. A Petitioner Must Have Standing and a Valid Ground for Cancellation.

A petition for cancellation must allege "sufficient factual matter" which, if proved, would establish that "(1) [the petitioner] possesses standing to challenge the continued presence on the register of the subject registration and (2) that there is a valid ground why the registrant is not entitled under law to maintain the registration." *Lipton Indus., Inc. v. Ralston Purina Co.*, 213 USPQ 185, 187 (CCPA 1982). The Petition does not satisfy either requirement.

B. NSM Lacks Standing to Challenge the DEPARTMENT OF GOODS Registration.

To establish standing, a petitioner "must have a real interest in the proceeding, i.e., a personal interest in the outcome of the proceeding, *and* a *reasonable* basis for a belief of damage. See, e.g., *Universal Oil Prod. Co. v. Rexall Drug & Chem. Co.*, 463 F.2d 1122, 1123, 174 USPQ 458, 459 (CCPA 1972)." (Order of Dismissal, Cancellation No. 92051104, attached as Exhibit A, p. 4, italics

in original.) Thus, "[i]f a petition is grounded on a claim of likelihood of confusion, a petitioner must allege ownership of a registration or prior use of *the same or a confusingly similar mark* for the same or related goods or services." *Geraghty Dyno-Tuned Products, Inc. v. Clayton Manufacturing Company*, 190 USPQ 508, 512 (TTAB 1976) (italics added). Similarly, "[i]f a petition to cancel is grounded on a charge of . . . fraud, a petitioner must allege that it is using *the same or a similar mark* for the same or similar goods and a direct or hypothetical likelihood of confusion, mistake or deception. *Id.* (italics added); *accord Yard-Man, Inc. v. Getz Exterminators, Inc.*, 157 USPQ 100, 104-105 (TTAB 1968). Finally, if a petition to cancel is based on a claim that the registered mark falsely suggests a connection, the false connection must be *with the petitioner. See Paul Sullivan Tennis Sportswear, Inc. v. Balth. Blickl's Wwe*, 213 USPQ 390, 392 (TTAB 1982).

In this proceeding, the Petition purports to assert those same three grounds for cancellation of the DEPARTMENT OF GOODS registration: (1) "likelihood of confusion," (2) "false suggestion of a connection," and (3) "fraud." (Petition, attached as Exhibit B, ¶ 15.) The Petition, however, contains no factual allegations whatsoever that, if proven, would establish that NSM has standing to assert any of those claims. The entire Petition is based on NSM's claim to own the mark HUCK DOLL and several "HUCK" marks. (Petition, ¶¶ 1-15.) The Petition does not allege that NSM owns any mark that is even remotely similar to DEPARTMENT OF GOODS, nor does the Petition allege that the DEPARTMENT OF GOODS mark has any connection, false or otherwise, with NSM . (See Petition, ¶¶ 1-15.) NSM therefore has no standing as a matter of law. See Geraghty, 190 USPQ at 512; Yard-Man., 157 USPQ at 104-105; Paul Sullivan, 213 USPQ 390 at 392.

C. The Petition Fails to State A Valid Ground for Canceling the DEPARTMENT OF GOODS Registration.

Even if NSM had standing, the Petition would fail as a matter of law, because it alleges no facts establishing any valid ground for cancellation. The Petition contains nothing but "labels and

conclusions" and a "naked assertion" of "likelihood of confusion" and "false suggestion of a connection." As noted above, the Petition does not allege that NSM owns any mark that is even remotely similar to DEPARTMENT OF GOODS, and the Petition makes no effort to identify what the "false connection" supposedly is. In fact, the Petition does not make a single factual allegation about Backcountry's DEPARTMENT OF GOODS mark other than to identify the registration and state that Backcountry owns it. (*See* Petition, ¶ 13.) Thus, NSM's purported claims based on "likelihood of confusion" and "false suggestion of a connection" fail as a matter of law.

NSM's purported "fraud" claim is just as deficient. The Petition contains no factual support whatsoever for a claim of fraud, let alone facts that even remotely satisfy the standard set by the Supreme Court in *Iqbal* and *Twombly*. Moreover, Rule 9(b) of the Federal Rules of Civil Procedure requires that "a party must state with particularity the circumstances constituting the fraud." Here, the Petition does not even make "a formulaic recitation of the elements" of a fraud claim, let alone "sufficient factual matter . . . to 'state a claim to relief that is plausible on its face." *Iqbal*, 129 S. Ct. at 1949 (quoting *Twombly*, 550 U.S. at 555, 557). For all of the foregoing reasons, the Petition for cancellation of the DEPARTMENT OF GOODS registration should be dismissed.

D. NSM Is Fully Aware of the Baseless Nature of Its Petition.

Indeed, NSM is fully aware that its Petition to cancel the DEPARTMENT OF GOODS registration is baseless and a waste of the Board's resources. NSM's real objections relate to Backcountry's HUCKN ROLL mark and NSM's purported HUCK DOLL and "HUCK" marks, not Backcountry's DEPARTMENT OF GOODS mark. NSM has nevertheless taken up the practice of opposing or petitioning to cancel various registrations of completely unrelated marks, apparently believing that the time and money NSM is causing registrants to waste will give NSM leverage. However, the Board has informed NSM that such a practice is improper. For example, on July 29,

2009, the Board informed NSM that its objection to another party's use of the term HUCKSTER on backpacks provided no standing or grounds for cancellation of that party's MOUNTAIN HARD WARE registration. (*See* Exhibit A, pp. 4-5). Even after that, NSM filed an amended petition using the same baseless arguments, prompting a motion for sanctions that NSM only sidestepped by withdrawing its amended petition. (See Cancellation No. 92051104, Docket, attached as Exhibit C.) Then, on September 11, 2009, the Board again rejected the same practice by NSM in another baseless proceeding, where the Board informed NSM that its objection to the other party's use of the term HOMETOWN HUCK provided no standing or grounds for canceling that party's SPIN MASTER registration. (*See* Order of Dismissal, Cancellation No. 92050960, attached as Exhibit D.) There have been at least three other similar baseless proceedings that NSM has filed and then simply withdrawn. (Cancellation No. 92051067 *re* Backcountry's "Backcountry.com" (and design) mark; Opposition No. 91191675 *re* Backcountry's "REALCYCLIST.com" (and design) mark; Cancellation No. 92050732 *re* another party's PRO SPIRIT mark). NSM should not be permitted to continue abusing the Board's procedures and wasting the Board's resources with impunity.

II. NSM'S PETITION TO CANCEL THE HUCKN ROLL REGISTRATION IS BARRED (AGAIN) BY CLAIM PRECLUSION.

NSM's Petition to cancel the HUCKN ROLL registration should also be dismissed. NSM previously filed two proceedings against Backcountry with respect to the HUCKN ROLL mark and registration—Opposition No. 91193594 and Cancellation No. 92053929. The Board dismissed both of those proceedings with prejudice. NSM's Petition is therefore barred by the claim preclusion and should be summarily dismissed with prejudice. Indeed, as shown below, NSM's successive petitions against Backcountry relating to the HUCKN ROLL mark and registration are precisely the kind of multiple, vexatious proceedings that claim preclusion is designed to prevent.

- A. <u>Statement of Undisputed Facts Supporting Motion for Summary Judgment.</u>
- 1. On May 22, 2009, Backcountry filed an application to register the mark HUCKN ROLL on the Principal Register. (Declaration of Gregory M. Hess in Support of Motion for Summary Judgment, attached hereto as Exhibit E ("Hess Decl.", ¶ 2.)
 - 2. On October 6, 2009, the application was published for opposition. (Hess Decl., ¶ 3.)
- 3. On January 29, 2010, NSM filed a Notice of Opposition, Opposition No. 91193594, claiming "priority and likelihood of confusion" under Trademark Act section 2(d). (Hess Decl., ¶4.)
- 4. On March 10, 2010, Backcountry filed an Answer and Counterclaim, denying that there was any likelihood of confusion, maintaining that NSM had no valid basis for opposition, and seeking additional relief against NSM. (Hess Decl., ¶ 5.)
- 5. On November 8, 2010, after more than nine months of litigation, NSM filed a withdrawal of Opposition No. 91193594 without the consent of Backcountry. (Hess Decl., ¶ 6.)
- 6. On November 10, 2010, the Board dismissed Opposition No. 91193594 with prejudice under Trademark Rule 2.106(c). (Hess Decl., ¶ 7, and Exhibit 1 thereto.)
- 7. On December 21, 2010, the HUCKN ROLL mark was registered on the Principal Register, U.S. Registration No. 3,891,836. (Hess Decl., ¶ 8.)
- 8. On April 19, 2011, NSM filed a petition for cancellation, Cancellation No. 92053929, seeking to cancel the HUCKN ROLL registration based on (1) "priority and likelihood of confusion" under Trademark Act section 2(d) and (2) "fraud." (Hess Decl., ¶ 9.)
- 9. On June 3, 2011, Backcountry filed a Motion for Summary Judgment or to Dismiss for Failure to State a Claim with respect to Cancellation No. 92053929. (Hess Decl., ¶ 10.)

- 10. On September 22, 2011, the Board granted Backcountry's motion for summary judgment under Trademark Rule 2.127(a) and Fed. R. Civ. P. 56 and dismissed the petition for cancellation "with prejudice." (Hess Decl., ¶ 11, and Exhibit 2 thereto.)
- 11. Less than two months later, on November 21, 2011, NSM filed the present Petition for Cancellation of the HUCKN ROLL registration on "grounds of false suggestion of a connection, priority and likelihood of confusion, and fraud." (Hess Decl., ¶ 12.)
- 12. Other than alleging its ownership of various "HUCK" and HUCK DOLL registrations and applications, and Backcountry's ownership of the HUCKN ROLL registration, the Petition for Cancellation contains no factual allegations to support its claims. (*See* Exhibit B.)
 - B. <u>The Doctrine of *Res judicata* Bars Re-litigation of Issues Previously Decided *and* the Litigation of *All* Claims That Could Have Been Raised in Prior Proceedings.</u>

"[T]he doctrine of res judicata . . . includes the two related concepts of claim preclusion and issue preclusion." *Nasalok Coating Corp. v. Nylok Corp.*, 522 F.3d 1320, 1323 (Fed. Cir. 2008). While issue preclusion bars matters already decided, "[c]laim preclusion refers to 'the effect of foreclosing any litigation of matters that never have been litigated, because of a determination that they should have been advanced in an earlier suit." *Id.* (quoting 18 C. Wright, A. Miller. and E. Cooper, Federal Practice and Procedure § 4402 (2d ed. 2002)); *accord Carson v. Department of Energy*, 398 F.3d 1369, 1375 (Fed. Cir. 2005) ("Claim preclusion prevents parties from litigating issues that could have been raised in a prior action"); *Phillips/May Corp. v. United States*, 524 F.3d 1264, 1267-1268 (Fed. Cir. 2008) (*res judicata* applies "not only to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose") (quoting *Nevada v. United States*, 463 U.S. 110, 129-130 (1983)). "The principle underlying res judicata—or claim preclusion—is to minimize 'the expense and vexation attending multiple lawsuits, conserve[] judicial resources, and foster[] reliance on

judicial action by minimizing the possibility of inconsistent decisions." *Matrix IV, Inc. v. American Nat. Bank and Trust Co. of Chicago*, 649 F.3d 539, 547 (7th Cir. 2011) (quoting *Montana v. United States*, 440 U.S. 147, 153-154 (1979)); *accord Carson*, 398 F.3d at 1375.

C. NSM's Petition to Cancel the HUCKN ROLL Registration Is Barred.

"Typically, claim preclusion is applied against a plaintiff who brings a second action related to an earlier action." *Nasalok Coating Corp.*. 522 F.3d at 1323. The Board applies a "three-part test for claim preclusion: '(1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first." *Id.* at 1324 (quoting *Jet, Inc. v. Sewage Aeration Systems*, 223 F.3d 1360, 1361-62 (Fed.Cir.2000)). All three parts of the claim preclusion test are satisfied.

First, there is a complete identity of parties in the three proceedings. NSM filed Opposition No. 91193594 and Cancellation No. 92053929 against Backcountry, and NSM has now filed another petition for cancellation against Backcountry. Second, the Board issued final judgments on the merits by dismissing Opposition No. 91193594 and Cancellation No. 92053929 with prejudice. Third, the present Petition is based on "the same set of transactional facts as the first." NSM again challenges Backcountry's right to obtain or maintain the HUCKN ROLL registration based on NSM's purported HUCK DOLL mark, and NSM again asserts conclusory claims of "likelihood of confusion" and "fraud" as purported grounds for cancellation of the registration.

While NSM has now added a conclusory claim of "false suggestion of a connection" and several "HUCK" marks, NSM could and should have included those items in its original opposition. NSM's claims are therefore barred. *Nasalok Coating Corp.*. 522 F.3d at 1323 ("Claim preclusion refers to 'the effect of foreclosing any litigation of matters that never have been litigated, because of a determination that they should have been advanced in an earlier suit" (citation omitted); *Carson*,

398 F.3d 1369 (Fed. Cir. 2005) ("Claim preclusion prevents parties from litigating issues that could have been raised in a prior action"); *Phillips/May Corp.*, 524 F.3d at 1267-1268 (*res judicata* applies "not only to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose") (citation omitted). Indeed, NSM's successive petitions against Backcountry are just the kind of multiple, vexatious proceedings that claim preclusion is designed to prevent. *See Carson*, 398 F.3d at 1375.

The case of *American Rice, Inc. v. Dunmore Properties S.A.*, 353 Fed. Appx. 428 (Fed. Cir.2009) is instructive and on point. (A copy of *American Rice* is attached as Exhibit F.) In *American Rice*, Dunmore Properties S.A. ("Dunmore") filed a petition to cancel a registration held by American Rice, Inc. ("ARI") on grounds of likelihood of confusion and dilution. *Id.* at 429. ARI subsequently "withdrew its petition without Dunmore's consent," and "[c]onsequently, the Board dismissed the petition with prejudice pursuant to Trademark Rule 2[.]114(c)" *Id.* ARI later "filed a petition for cancellation . . . , again alleging confusion in trade and dilution of its mark." *Id.* Dunmore filed a motion to dismiss, "arguing that ARI's claims were barred by *res judicata*." *Id.* ARI then "amended its petition to include allegations that Dunmore fraudulently obtained its registration" *Id.* Treating Dunmore's motion to dismiss as a motion for summary judgment, the Board granted the motion and dismissed the petition for cancellation, "holding that the claims were precluded under the doctrine of *res judicata*." *Id.* ARI appealed.

On appeal, ARI argued that its second petition for cancellation was not barred by *res judicata* because ARI had alleged new facts and asserted a new claim of fraud. The Federal Circuit rejected ARI's arguments and affirmed the Board's decision. In rejecting ARI's new fraud claim, the Federal Circuit stated: "Claim preclusion also extends to those claims or defenses that could have been raised in the prior action, as long as they arise from the same series of transactional facts as those in

the original claims. . . . Because ARI could have litigated these [fraud] claims under its [first] Petition for Cancellation, they are likewise barred under the doctrine of *res judicata*. *Id*. at 430-431.

This proceeding is strikingly similar to American Rice. As in American Rice, the Board dismissed Opposition No. 91193594 with prejudice because NSM had withdrawn the opposition without Backcountry's written consent. NSM later filed Cancellation No. 92053929, asserting the same claim of "priority and likelihood of confusion," based on the same mark and the same application and registration as in Opposition No. 91193594 (albeit in conclusory fashion). Moreover, like ARI, NSM added a claim of "fraud" (though completely unsupported) that was not included in the Opposition No. 91193594 and has now added to its latest Petition a conclusory claim of "false suggestion of a connection" and several "HUCK" marks, all of which could and should have been included in Opposition No. 91193594. Thus, as with ARI, NSM's latest Petition is barred by claim preclusion. See id.; see also Orouba Agrifoods Processing Co. v. United Food Import, 97 USPQ2d 1310 (TTAB 2010) (opposition proceeding dismissed with prejudice for failure to file brief; subsequent petition for cancellation that included a new claim of "false suggestion of a connection" was barred by *res judicata*). Backcountry is therefore entitled to summary judgment dismissing with prejudice NSM's latest claim to cancel the HUCKN ROLL registration, and the Board need not reach Backcountry's arguments for dismissing that claim pursuant to Rule 12(c).

III. PETITIONER'S "NAKED ASSERTION[S]" FAIL TO STATE ANY CLAIM FOR CANCELLATION OF THE HUCKN ROLL REGISTRATION IN ANY EVENT.

Alternatively, the Board should grant Backcountry's Rule 12(c) motion for judgment on the pleadings with respect to NSM's request to cancel the HUCKN ROLL registration, because the Petition fails to state a claim. As noted above, NSM purports to assert three grounds for cancellation:

(1) "likelihood of confusion," (2) "false suggestion of a connection," and (3) "fraud." (Petition, ¶

15.) The Petition does not come remotely close to stating a claim on any of those grounds.

NSM's purported claims for cancellation contain nothing but "labels and conclusions" and "naked assertion[s]." *Iqbal*, 129 S. Ct. at 1949 (quoting *Twombly*, 550 U.S. at 555, 557). NSM's purported claim for cancellation of the HUCKN ROLL registration based on "priority and likelihood of confusion" contains nothing but a recitation of the parties' respective ownership of various registrations and a completely "naked assertion" of "likelihood of confusion." It contains no other facts whatsoever, let alone facts sufficient to state claim of likelihood of confusion "that is plausible on its face" under the factors identified in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973). NSM's purported claim for cancellation on the basis of "likelihood of confusion" should therefore be dismissed. *See Iqbal*, 129 S. Ct. at 1949.

Similarly, the Petition contains no other facts to support a claim for cancellation based on "false suggestion of a connection." To state such a claim, a petitioner must allege sufficient facts which, if proved, would establish that: (1) the registered mark is the same as, or a close approximation of, the name or identity previously used by the petitioner; (2) the registered mark would be recognized as such, in that it points *uniquely* and *unmistakably* to the petitioner; (3) the person or institution identified in the mark is not connected with the goods sold or services performed by the registrant; and (4) the fame or reputation of the petitioner is of such a nature that a connection with petitioner would be presumed when the registrant's mark is used on its goods and/or services. *See In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505, 1507 (TTAB 2009); *In re MC MC S.r.l.*, 88 USPQ2d 1378, 1379 (TTAB 2008); *see also University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., Inc.*, 703 F.2d 1372, 1375-1378 (Fed. Cir. 1983). In this instance, the Petition does not even make "a formulaic recitation of the elements" of that claim, let alone "sufficient factual matter . . . to 'state a claim to relief that is plausible on its face.'" *Igbal*, 129 S. Ct. at 1949

(quoting Twombly, 550 U.S. at 555, 557), particularly with respect to elements (2) and (4). NSM's

purported claim for "false suggestion of a connection" should therefore be dismissed. Id.

NSM's purported "fraud" claim is just as defective. It contains no factual allegations

whatsoever about any alleged fraud, let alone facts that even remotely satisfy the standard discussed

by the Supreme Court in *Iqbal* and *Twombly*. Moreover, Federal Rule of Civil Procedure 9(b)

requires that "a party must state with particularity the circumstances constituting the fraud." Again,

as noted above, the Petition does not even make "a formulaic recitation of the elements" of a claim

of fraud, let alone "sufficient factual matter . . . to 'state a claim to relief that is plausible on its

face." Iqbal, 129 S. Ct. at 1949 (quoting Twombly, 550 U.S. at 555, 557). Thus, even if NSM's

purported claims were not barred by claim preclusion, they would fail to state any claim.

CONCLUSION

For all of the foregoing reasons, Backcountry respectfully requests that the Petition for

Cancellation be dismissed with prejudice.

Dated: January 9, 2012

PARR BROWN GEE & LOVELESS, P.C.

/s/Gregory M. Hess/

Attorneys for Registrant Backcountry.com, Inc.

12

CERTIFICATE OF SERVICE

I hereby certify that on January 9, 2012, I cause a copy of the foregoing **REGISTRANT'S**MOTION FOR JUDGMENT ON THE PLEADINGS IN PART AND FOR SUMMARY

JUDGMENT IN PART to be served on the following party at the following address:

Zane Murdock NSM Resources Corporation 516 Fowler Ave Pelham, NY 10803

to be mailed to such party a true and correct copy thereof, addressed to such party at the address set forth above, and sent U.S. Mail, first-class postage prepaid.

/s/Gregory M. Hess

EXHIBIT A

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

Baxley

Mailed: July 29, 2009

Cancellation No. 92051104

NSM Resources Corporation

v.

Mountain Hardwear, Inc.

Before Grendel, Rogers, and Bergsman, Administrative Trademark Judges

By the Board:

Mountain Hardwear, Inc. ("respondent") has registered the mark MOUNTAIN HARD WEAR in standard character form for "all purpose sports bags, athletic bags, carrying bags, backpacks, fannypacks, sports packs, waist packs, and drawstring pouches" in International Class 18.1

NSM Resources Corporation ("petitioner"), which is appearing pro se herein, filed a petition to cancel respondent's registration. The electronic cover sheet of the petition to cancel ostensibly indicates that petitioner seeks cancellation of respondent's registration on the following grounds: 1) the mark consists of immoral or scandalous matter, is deceptive, and falsely suggests a connection with petitioner, all under Trademark Act Section

2(a), 15 U.S.C. Section 1052(a); 2) priority and likelihood of confusion under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d); and 3) dilution under Trademark Act Section 43(c), 15 U.S.C. Section 1125(c). The salient allegations of the petition to cancel are set forth as follows.

Petitioner ... owns at least the following: the Registered Trademark No. 3310854 for the mark HUCK DOLL namely for toys and accessories and the Registered Trademark No. 3435920 for the mark HUCK namely for clothing and footwear.

•••

- 2. [Respondent] has refused to acknowledge the validity of [petitioner's] NSM Trademarks, namely [petitioner's] NSM brand names HUCK and HUCK DOLL and coincidentally [respondent] named one of its Mountain Hard Wear backpacks "huckster."
- 3. Upon information and belief, [respondent] began selling backpacks using the name "huckster" as early as 2009. [Respondent's] use of "huckster" has damaged [petitioner's] Trademarks by creating confusion as to the source and identity of the goods.
- 4. [Respondent] defends its selection of the brand name "huckster" to sell Mountain Hard Wear backpacks. By doing so, [respondent] refuses to acknowledge that [respondent] sells brand name products, and thereby [respondent] contradicts the value of its own Mountain Hard Wear backpack Trademark registration.
- 5. The Registrant has not expressly agreed to cease use of the sale of Mountain Hard Wear Wear "huckster" backpacks and the Registrant has not provided any information regarding the sales volume or distribution of these "huckster" backpacks to [petitioner].

2

¹ Registration No. 3120463, issued June 25, 2006, and alleging June 8, 2005 as the date of first use anywhere and the date of first use in commerce.

6. [Respondent] has refused to settle claims within a mistaken allocation [sic] at the very least in using "huckster" to sell Mountain Hard Wear backpacks. In this way, [respondent] proves it does not regard its Mountain Hard Wear brand name as a plausible Trademark on its own.

In lieu of an answer, respondent, on June 25, 2009, filed a motion to dismiss for failure to state a claim upon which relief can be granted under Fed. R. Civ. P. 12(b)(6). The motion has been fully briefed.

Such motions are solely a test of the legal sufficiency of a complaint.² See, e.g., Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc., 988 F.2d 1157, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). A complaint is legally sufficient if it alleges such facts as, if proved, would establish that the plaintiff is entitled to the relief sought, i.e., (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for denying or canceling the registration. In deciding such a motion, the Board must accept as true all well-pled and material allegations of the complaint, and must construe the complaint in favor of the complaining party. See Jewelers Vigilance Committee, Inc. v. Ullenberg Corp., 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987). Unfortunately, most of

² Accordingly, we have not considered the matters outside of the pleadings that petitioner submitted as exhibits to its brief in opposition to respondent's motion. See TBMP Section 503.04 (2d ed. rev. 2004). Further, the arguments and exhibits that petitioner has submitted regarding alleged settlement proposals are not properly before the Board. See Fed. R. Evid. 408.

petitioner's allegations are immaterial to the ostensible claims regarding the involved registration.

Turning to the issue of petitioner's standing to maintain this proceeding, the starting point for our determination of whether petitioner has properly pleaded allegations that, if proved, would establish its standing is Trademark Act Section 14(a), 15 U.S.C. Section 1064(a). Section 14(a) provides that "[a] petition to cancel a registration of a mark ... may ... be filed as follows by any person who believes that he is or will be damaged ... by the registration of a mark on the principal register." (emphasis added) Section 14 establishes a broad class of persons who are proper petitioners; by its terms, the statute only requires that a person have a reasonable belief that he would suffer some kind of damage if the mark were to remain registered. In short, petitioner must have a real interest in the proceeding, i.e., a personal interest in the outcome of the proceeding, and a reasonable basis for a belief of damage. See, e.g., Universal Oil Prod. Co. v. Rexall Drug & Chem. Co., 463 F.2d 1122, 1123, 174 USPQ 458, 459 (CCPA 1972).

We agree with respondent that petitioner has not adequately pleaded its standing to seek cancellation of respondent's registration. Petitioner's belief of damage, as set forth in the petition to cancel, is based entirely

upon respondent's asserted use of the term HUCKSTER on backpacks, which is immaterial to this proceeding involving a registration for an entirely different mark. Because petitioner has failed to allege that it is or will be damaged by respondent's maintenance of the registration for the involved mark, petitioner has failed to allege a both a personal interest in the outcome of this proceeding and a reasonable belief of damage.

We further agree that petitioner has failed to plead any material ground for cancellation of the involved registration. Although the electronic cover sheet for the petition to cancel indicates that petitioner intends to pursue claims under Trademark Act Sections 2(a), 2(d), and 43(c), 15 U.S.C. Section 1052(a), 1052(d), and 1125(c), petitioner has failed to set forth even a minimal factual basis for any of these claims. See generally TBMP Section 309.03(c) (2d ed. rev. 2004). While the text of the petition to cancel suggests a theoretical claim that respondent's registered mark does not function as a mark for any product on which respondent allegedly uses, in addition to the registered mark, the term HUCKSTER, petitioner has failed to plead clearly such a claim, or a plausible basis in the law for any such claim.³ Based on the foregoing, we

³ Even if we assume for sake of argument that respondent uses HUCKSTER as a mark on backpacks in conjunction with, or in close proximity to, its registered MOUNTAIN HARD WEAR mark, any claims

find that petitioner has failed to state a claim upon which relief can be granted.

In view thereof, we hereby grant respondent's motion to dismiss for failure to state a claim upon which relief can be granted. Nonetheless, the Board freely grants leave to amend pleadings found, upon challenge under Fed. R. Civ. P. 12(b)(6), to be insufficient. Accordingly, petitioner is allowed until **twenty days** from the mailing date of this order to file an amended pleading consistent with the discussion above, failing which the petition to cancel will be dismissed with prejudice.

Any amended petition must be based on a belief of damage arising solely from the registration of the involved MOUNTAIN HARD WEAR mark, independent of the HUCKSTER mark. Petitioner is advised that it should not file an amended petition for the purpose of obtaining a more favorable

in this proceeding must be based on the MOUNTAIN HARD WEAR mark as set forth in the registration, and not upon respondent's actual use of the mark in conjunction with unregistered matter

actual use of the mark in conjunction with unregistered matter. Cf. *United Foods Inc. v. J.R. Simplot Co.*, 4 USPQ2d 1172 (TTAB 1987).

Moreover, inasmuch as respondent's registered mark is nearly identical to its name, the registered mark would appear to be a house mark. Respondent's purported HUCKSTER mark would appear then to be used as a source identifier for a specific model of backpack. It is common knowledge that parties may use house marks in close proximity with product marks. See In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973) (Factor 9 recognizes the existence of house marks, family marks and product marks). Thus, it does not follow under the law that, merely because respondent may use HUCKSTER to identify a specific model of backpack, respondent's house mark MOUNTAIN HARD WEAR does not function as a trademark.

resolution of the parties' purported dispute involving respondent's HUCKSTER mark. Moreover, any asserted claims must be cognizable under the law and based on material facts. See Fed. R. Civ. P. 11(b); Patent and Trademark Office Rule 10.18.

EXHIBIT B

ESTTA Tracking number:

ESTTA441849 11/21/2011

Filing date:

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Petition for Cancellation

Notice is hereby given that the following party requests to cancel indicated registration.

Petitioner Information

Name	NSM Resources Corporation		
Entity	Corporation Citizenship Nevada		
Address	516 Fowler Ave Pelham, NY 10803 UNITED STATES		

Correspondence information	Zane Murdock President NSM Resources Corporation 516 Fowler Ave Pelham, NY 10803
	UNITED STATES
	zane@huckdoll.com Phone:323-337-5659

Registrations Subject to Cancellation

Registration No	3836095	Registration date	08/17/2010
Registrant	Backcountry.com, Inc. 1678 West Redstone Center I Park City, UT 84098 UNITED STATES	Orive	

Goods/Services Subject to Cancellation

Class 035. First Use: 2009/11/11 First Use In Commerce: 2009/11/11

All goods and services in the class are cancelled, namely: Retail store services and computerized online retail store services featuring men's and women's clothing, headwear, footwear, outerwear, eyewear, heart rate monitors, altimeters and accessories, namely, watches and compasses, tote bags, ski equipment, namely, skis and ski boots, helmets, goggles, and poles, snowboard equipment, namely, snowboards and snowboard bindings, boots, helmets, and gloves, snowshoes, avalanche safety equipment, namely, avalanche probes, beacons, and shovels, tents, sleeping bags, sleeping pads, kayaks, canoes, paddles, and related accessories, namely, spray skirts for kayaks, life jackets, dry bags, wall racks for hanging canoes and kayaks, and back rests, camping, hiking, and mountain climbing equipment, namely, climbing harnesses, climbing helmets, bags for storing and hauling climbing ropes, belay, and rappel devices, rock-climbing shoes, climbing ropes, carabineers, and chalk and chalk bags for rock-climbing, food and related accessories, namely, water purifiers, coolers, bags for food storage, pots, pans, bowls, and eating utensils, luggage and equipment car racks and related accessories, namely, adaptors and attachments for mounting the racks, watches, audio accessories, road and mountain bike equipment, namely, bikes and bike frames, forks, wheels, tires, helmets, repair and maintenance kits, suspensions, lights, bags and cases, books, videos, tools, lubricants, pumps, tubes, brakes, drive trains, headsets, shifters, saddles, seat posts, training equipment, locks, wheels, wheel sets, and watches, hydration packs, nutrition and body care products, bike clothing, namely, tights, jackets, pants, jerseys, shorts, bibs, shirts, gloves, hats, socks, warmers, and shoes, skateboards and accessories, namely, long boards, skateboards, and skateboarding pads, hats, shoes, DVDs, ramps, rails, backpacks, bearings, risers, decks, mini decks, trucks, bushings, and wheels, surf equipment, namely, surfboards, skim boards, hybrid surfboards,

and surfboard racks, straps, pads, wetsuits, DVDs, wax, fins, leashes, traction pads, bags, and wetsuit bags, booties, rash guards, spring suits, and gloves; the dissemination of advertising for others via an on-line electronic communication network; and promoting the goods and services of others by preparing and placing advertisements on a web site accessed through a global computer network

Grounds for Cancellation

False suggestion of a connection		Trademark Act section 2(a)	
Torres v. Cantine T	orresella S.r.l.Fraud	808 F.2d 46, 1 USF	Q2d 1483 (Fed. Cir. 1986)
Registration No	3891836	Registration date	12/21/2010
Registrant	Backcountry.com, Inc. 1678 West Redstone Center I Park City, UT 84098 UNITED STATES	Orive	

Goods/Services Subject to Cancellation

Class 035. First Use: 2009/05/21 First Use In Commerce: 2009/05/21
All goods and services in the class are cancelled, namely: Retail store services, mail order services, and computerized on-line retail store services featuring bicycles, bicycle parts, namely, bicycle frames, wheels, rims, spokes, tires, inner tubes, mud guards, lights, reflectors, speedometers, mirrors, brakes, brake shoes, brake disks, handlebars, handlebar grips, handlebar grip tape, drive trains, gear wheels, gear shifts, chains, forks, fork covers, pedals, toe clips, kickstands, saddles, saddle covers, seats, baskets, water bottle cages, tags, bells, and horns, cycling accessories, namely, bicycle stands, covers, locks, pant protectors, air pumps, repair kits, maintenance kits, emergency kits, storage racks, and vehicle racks, and cycling wear, namely, cycling shirts, T-shirts, sweatshirts, jerseys, pullovers, pants, shorts, tights, body suits, uniforms, underwear, jackets, gloves, leg warmers, arm warmers, socks, shoe covers, footwear, eyewear, and headwear; and promoting the goods and services of others by preparing and placing advertisements on a web site accessed through a global computer network

Grounds for Cancellation

False suggestion of a connection	Trademark Act section 2(a)	
Torres v. Cantine Torresella S.r.l.Fraud	808 F.2d 46, 1 USPQ2d 1483 (Fed. Cir. 1986)	
Priority and likelihood of confusion	Trademark Act section 2(d)	

Marks Cited by Petitioner as Basis for Cancellation

U.S. Registration No.	3244135	Application Date	01/06/2006
Registration Date	05/22/2007	Foreign Priority Date	NONE
Word Mark	HUCK		

Design Mark	HUCK			
Description of Mark	NONE			
Goods/Services	Class 028. First use: First Use: 2004/03/01 First Use In Commerce: 2005/03/01			
	Bathtub toys; Bendable toys; Collectable toy figures; Crib toys; [Disc toss toys; Electric action toys;] Fantasy character toys; [Inflatable toys;] Mechanical action toys; Plastic character toys; [Plush toys;] Positionable toy figures; [Radio controlled toy vehicles;] Rubber character toys; Toy action figures and accessories therefor; Toy figures; [Toy gliders; Toy masks;] Toy mobiles; [Toy robots; Toy rockets; Toy scooters; Toy snow globes;] Toy vehicles; [Toy water globes; Toy wind socks; Toys, namely, a disk to toss in playing a game wherein other disks are flipped and collecte]			
U.S. Registration	3430612 Application Date 09/11/2007			

No.	3430012	Application Date	09/11/2007
Registration Date	05/20/2008	Foreign Priority Date	NONE
Word Mark	HUCK		
Design Mark		Iuck	
Description of Mark	NONE		
Goods/Services	Class 028. First use: First Dog toys	Use: 2005/07/01 First U	se In Commerce: 2005/07/01

U.S. Registration No.	3435920	Application Date	09/04/2003
Registration Date	05/27/2008	Foreign Priority Date	NONE
Word Mark	HUCK		
Design Mark			
Description of Mark	NONE		

Goods/Services	Class 025. First use: First Use: 2000/03/08 First Use In Commerce: 2000/03/08		
	clothing and footwear, namely, t-shirts, hoods, jerseys, tops, caps, [shorts,] athletic footwear and thong footwear		
U.S. Registration No.	3558669	Application Date	11/02/2007
Registration Date	01/06/2009	Foreign Priority Date	NONE
Word Mark	HUCK	•	
	Н	[UC]	K
Description of Mark	NONE		
Goods/Services	Class 009. First use: First Use: 2008/01/01 First Use In Commerce: 2008/01/01 Sunglasses		
U.S. Registration No.	3557381	Application Date	05/29/2008
Registration Date	01/06/2009	Foreign Priority Date	NONE
Word Mark	HUCK DOLL	.	
	HUC	CK D	OLL
Description of Mark	NONE		
Goods/Services	Class 016. First use: First Use: 2000/03/01 First Use In Commerce: 2000/03/01 Stickers		
U.S. Registration No.	3781240	Application Date	02/24/2006
Registration Date	04/27/2010	Foreign Priority Date	NONE
Word Mark	HUCK DOLL		

Design Mark			
	HUC	K D	OLL
Description of Mark	NONE		
Goods/Services	Class 025. First use: First Us caps; hoods; [jerseys; persp shirts; sweatshirts		Ise In Commerce: 2000/03/08 Ierwear clothing;] tops; t-
U.S. Registration No.	3667579	Application Date	05/21/2008
Registration Date	08/11/2009	Foreign Priority Date	NONE
Word Mark	HUCK		l
	H	UC]	K
Description of Mark	NONE		
Goods/Services	Class 018. First use: First Us Backpacks	se: 2009/06/03 First U	Jse In Commerce: 2009/06/03
U.S. Application	85446268	Application Date	10/13/2011

U.S. Application No.	85446268	Application Date	10/13/2011
Registration Date	NONE	Foreign Priority Date	NONE
Word Mark	HUCK DOLL		

Design Mark	Huo	ck D	oll
Description of Mark	NONE		
Goods/Services	Class 035. First use: First Use: 2006/02/27 First Use In Commerce: 2006/02/27 Advertising services, namely, promoting and marketing the goods and services of others through all public communication means; On-line retail store services featuring apparel		
U.S. Application No.	85457866	Application Date	10/27/2011
Registration Date	NONE	Foreign Priority Date	NONE
Word Mark	HUCK NEWS		
Design Mark	HUC	K N	EWS

Description of Mark Goods/Services Class 041. First use: First Use: 2011/10/01 First Use In Commerce: 2011/10/01 Providing on-line publications in the nature of news and images in the field of action sports enthusiasts

U.S. Application No.	85472856	Application Date	11/15/2011
Registration Date	NONE	Foreign Priority Date	NONE
Word Mark	HUCK FILES		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 016. First use: First Use: 2011/07/01 First Use In Commerce: 2011/07/01		
	Cartoon strips		

Attachments	78786734#TMSN.jpeg (1 page)(bytes) 77276817#TMSN.jpeg (1 page)(bytes)
	77319742#TMSN.jpeg (1 page)(bytes) 77486817#TMSN.jpeg (1 page)(bytes)
	78822640#TMSN.jpeg (1 page)(bytes)
	77479793#TMSN.jpeg (1 page)(bytes) 85446268#TMSN.jpeg (1 page)(bytes)
	85457866#TMSN.jpeg (1 page)(bytes)
	CancelProtest.pdf (4 pages)(90237 bytes)

Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/zanemurdock/
Name	Zane Murdock
Date	11/21/2011

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the matter of Trademark Registration Serial Numbers: 3836095 and 3891836

Registered: August 17, 2010 and December 21, 2010

Trademarks: DEPARTMENT OF GOODS and HUCKN ROLL

NSM Resources Corporation)
Petitioner	
v.) Cancellation No
Backcountry.com, Inc.)
Registrant)

Petitioner NSM Resources Corporation ("NSM Resources") is a current Nevada Corporation qualified to operate in California and New York.

Upon information and belief, Registrant Backcountry.com, Inc. ("Backcountry.com") is an Utah Corporation.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3244135 for HUCK[®] namely for IC 28 *toys*, Registered May 22, 2007.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3430612 for HUCK[®] namely for IC 28 *dog toys*, Registered May 20, 2008.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3435920 for HUCK[®] namely for IC 25 *clothing*, Registered May 27, 2008.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3558669 for HUCK® namely for IC 9 *sunglasses*, Registered January 6, 2009.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3557381 for HUCK DOLL® namely for IC 16 *stickers*, Registered January 6, 2009.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3667579 for HUCK® namely for IC 18 *backpacks*, Registered August 11, 2009.

WHEREAS, NSM Resources owns the Federal Trademark Registration # 3781240 for HUCK DOLL® namely for IC 25 *clothing*, Registered April 27, 2010.

WHEREAS, NSM Resources owns the Federal Trademark Application # 85446268 for HUCK DOLL[™] namely for IC 35 *advertising services* and *on-line retail store service*, filed October 13, 2011.

WHEREAS, NSM Resources owns the Federal Trademark Application # 85457866 for HUCK NEWS[™] namely for IC 41 *on-line publications*, file October 27, 2011.

WHEREAS, NSM Resources owns the Federal Trademark Application # 85472856 for HUCK FILES[™] namely for IC 16 *cartoon strips*, file November 15, 2011.

WHEREAS, Backcountry.com owns the Federal Trademark Registration # 3836095 for DEPARTMENT OF GOODS® namely for IC 35 *on-line retail store services*, Registered August 17, 2010.

WHEREAS, Backcountry.com owns the Federal Trademark Registration # 3891836 for HUCKN ROLL[®] namely for IC 35 *on-line retail store services*, Registered December 21, 2010.

WHEREFORE, Petitioner NSM Resources requests that this Honorable Board cancel Registrations # 3836095 and # 3891836 under grounds of false suggestion of a connection, priority and likelihood of confusion, and fraud. NSM Resources files this document with the prescribed fee of \$600.

Sincerely yours,

/zanemurdock/ Zane Murdock President NSM Resources Corporation 516 Fowler Ave Pelham, NY 10803 USA

Phone: 323-337-5659 zane@huckdoll.com

CERTIFICATE OF SERVICE BY FIRST-CLASS MAIL

On November 21th, 2011, I deposited in the United States Mail a properly addressed, postage prepaid envelope containing a true copy of this document served on:

Backcountry.com, Inc. 1678 West Redstone Center Drive Suite 210 Park City, UT 84098

I declare under the penalty of perjury of the State of New York that the foregoing is true and correct.

Dated: November 21, 2011

/zanemurdock/ Zane Murdock President NSM Resources Corporation 516 Fowler Ave Pelham, NY 10803 USA

Phone: 323-337-5659 zane@huckdoll.com

EXHIBIT C

United States Patent and Trademark Office

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TTABVUE. Trademark Trial and Appeal Board Inquiry System

v1.5

Cancellation

Number: 92051104 Filing Date: 06/15/2009

Status: Terminated Status Date: 10/01/2009

Interlocutory Attorney: ANDREW P BAXLEY

Defendant

Name: Mountain Hardwear, Inc.

Correspondence: Michael A. Cohen

Schwabe, Williamson & Wyatt

1211 SW Fifth Avenue, Suites 1500-2000

Portland, OR 97204 UNITED STATES

trademarks@schwabe.com, mcohen@schwabe.com,

rbradfute@schwabe.com

Serial #: 78688604 Application File Registration #: 3120463

Application Status: Cancellation Terminated - See TTAB Records

Mark: MOUNTAIN HARD WEAR

Plaintiff

Name: NSM Resources Corporation

Correspondence: Zane Murdock

NSM Resources Corporation

PO Box 931162

Los Angeles, CA 90093

UNITED STATES zane@huckdoll.com

Serial #: 77067486 Application File Registration #: 3310854

Application Status: Registered

Mark: HUCK DOLL

Serial #: 78295820 Application File Registration #: 3435920

Application Status: Cancellation Pending

Mark: HUCK

Prosecution History

Date History Text Due Date

21 10/01/2009 TERMINATED

20 10/01/2009 BOARD'S DECISION: DISMISSED W/O PREJ

19 10/01/2009 WITHDRAWAL OF PETITION FOR CANCELLATION

18 09/16/2009 D'S REPLY IN SUPPORT OF MOTION

17 09/09/2009 P'S OPPOSITION/RESPONSE TO MOTION

16 09/09/2009 D'S DEC IN SUPPORT OF MOTION FOR SANCTIONS

15 09/09/2009 D'S MOTION FOR SANCTIONS

14 09/08/2009 SUSPENDED PENDING DISP OF OUTSTNDNG MOT

13 09/01/2009 D'S DECLARATION IN SUPPORT OF ITS MOTION

Prosecution History Due Date # Date **History Text** 12 09/01/2009 D'S MOTION FOR SUSPENSION 11 08/07/2009 TRIAL DATES RESET 10 08/06/2009 AMENDED PETITION TO CANCEL FILED 9 07/29/2009 D'S MOTION TO DISMISS GRANTED; P ALLOWED 20 DAYS TO FILE **AMENDED PETITION** 8 07/17/2009 D'S REPLY IN SUPPORT OF MOTION 7 07/06/2009 P'S OPPOSITION/RESPONSE TO MOTION 6 06/29/2009 SUSPENDED PENDING DISP OF OUTSTNDNG MOT 5 06/25/2009 CHANGE OF CORRESPONDENCE ADDRESS 4 06/25/2009 <u>D'S MOTION TO DISMISS - RULE 12(B)</u> 06/16/2009 PENDING, INSTITUTED 2 06/16/2009 NOTICE AND TRIAL DATES SENT; ANSWER DUE: 07/26/2009 1 06/15/2009 FILED AND FEE

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Search:

EXHIBIT D

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

DUNN

Mailed: September 11, 2009

Cancellation No. 92050960

NSM Resources Corporation

v.

Spin Master Ltd.

Before Bucher, Drost, and Mermelstein, Administrative Trademark Judges:

By the Board:

This case comes up on respondent's motion, filed May 18, 2009, to dismiss the petition to cancel for failure to state a claim. The motion has been fully briefed.

In its petition to cancel, NSM Resources Corporation, acting pro se, brings claims that respondent's mark (below)



Cancellation No. 92050960

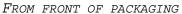
for "full line of flying toys, air-powered toys, radio controlled toys, children's novelty and craft toys"

(Registration No. 2944406) is used with the term HOMETOWN HUCK, and that this use creates a false suggestion of a connection with petitioner and dilutes the distinctive quality of petitioner's pleaded marks HUCK and HUCK DOLL, also used for toys (Registration Nos. 3244135 and 3310854). The petition to cancel states, in pertinent part:

Spin Master has so many Trademarks that Registrant Spin Master does not concern itself with other brands or other Trademarks when manufacturing toy products, the Registrant Spin Master only focuses on its own. For these reasons, the Registrant Spin Master, if it is to place the S SPIN MASTER Trademark (logo) on products and then deny involvement, basically is denying any validity to this Trademark registration.

Attached to the petition to cancel is a copy of a photograph of a blister pack containing respondent's toys, which packaging bears respondent's SPIN MASTER mark and promotes "Hometown Huck vs. The Scorchion" as one of the Thumb Wrestling Federation's matches.







FROM BACK OF PACKAGING

In order to withstand a motion to dismiss for failure to state a claim upon which relief may be granted, a pleading need only allege such facts as would, if proved, establish that the plaintiff is entitled to the relief

sought, that is, (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for denying the registration sought. See Lipton Industries, Inc. v. Ralston Purina Company, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982). In Ritchie v. Simpson, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999), the Federal Circuit enunciated a liberal threshold for determining standing, i.e., whether one's belief that one will be (or is being) damaged by the registration is reasonable and reflects a real interest in the case. See also Jewelers Vigilance Committee Inc. v. Ullenberg Corp., 823 F.2d 490, 2 USPQ2d 2021 (Fed. Cir. 1987); and Lipton Industries, Inc. v. Ralston Purina Company, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982).

There is nothing in the instant petition to cancel which indicates a reasonable belief in damage or an interest of petitioner in cancelling respondent's mark SPIN MASTER and design, the subject of Registration No. 2944406. The petition indicates that respondent's use of the unrelated HOMETOWN HUCK designation is adverse to petitioner's interest and warrants cancellation of respondent's SPIN MASTER mark. Because there is no connection between

The Board strongly recommends that petitioner seek experienced trademark counsel to protect its interests. Even if HOMETOWN HUCK was the subject of a trademark application or registration (which it is not), the Board does not have the authority to order a party to cease use of a term. See Genesco Inc. v. Martz, 66 USPQ2d 1260, 1262 (TTAB 2003) ("the Board is an

Cancellation No. 92050960

petitioner's expressed interest in preventing respondent's use of HOMETOWN HUCK and its petition to cancel respondent's registered mark SPINMASTER and design, we find that petitioner has failed to meet the threshold requirement of establishing its standing to proceed with its claims.

Moreover, inasmuch as petitioner alleges that respondent's use of the term HOMETOWN HUCK creates a false suggestion of a connection with petitioner and dilutes the distinctive quality of petitioner's pleaded marks HUCK and HUCK DOLL, the petition also fails to set forth legally sufficient claims for cancellation of the mark SPIN MASTER and design.

Accordingly, respondent's motion to dismiss is granted, and the petition to cancel is dismissed with prejudice.

* * *

administrative tribunal with jurisdiction over the issue of registrability only").

EXHIBIT E

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

NSM RESOURCES CORPORATION, | Cancellation No. 92054840

Petitioner, | Mark: DEPARTMENT OF GOODS

v. U.S. Registration No. 3,836,095

BACKCOUNTRY.COM, INC., Mark: HUCKN ROLL

Registrant. U.S. Registration No. 3,891,836

DECLARATION OF GREGORY M. HESS IN SUPPORT OF REGISTRANT'S MOTION FOR SUMMARY JUDGMENT

- I, Gregory M. Hess, declare as follows:
- 1. I am a shareholder of the law firm of Parr Brown Gee & Loveless, a Professional Corporation ("Parr Brown") and am admitted to the Utah State Bar. I serve as outside counsel to Backcountry.com, Inc. ("Backcountry") in various trademark matters. I make this declaration based on my personal knowledge and the records that Parr Brown keeps in the ordinary course of business.
- 2. On May 22, 2009, Backcountry filed an application to register the mark HUCKN ROLL on the Principal Register.
 - 3. On October 6, 2009, the application was published for opposition.
- 4. On January 29, 2010, NSM Resources Corporation ("NSM") filed a Notice of Opposition, Opposition No. 91193594, claiming "priority and likelihood of confusion" under Trademark Act section 2(d).
- 5. On March 10, 2010, Backcountry filed an Answer and Counterclaim, denying that there was any likelihood of confusion, maintaining that NSM had no valid basis for opposition, and seeking additional relief against NSM.

6. On November 8, 2010, after more than nine months of litigation, NSM filed a

withdrawal of Opposition No. 91193594 without the consent of Backcountry.

7. On November 10, 2010, the Board dismissed Opposition No. 91193594 with

prejudice under Trademark Rule 2.106(c). Attached as Exhibit 1 is a copy of the Board's order.

8. On December 21, 2010, the HUCKN ROLL mark was registered on the Principal

Register, U.S. Registration No. 3,891,836.

9. On April 19, 2011, NSM filed a petition for cancellation, Cancellation No. 92053929,

seeking to cancel the HUCKN ROLL registration based on (1) "priority and likelihood of confusion"

under Trademark Act section 2(d) and (2) "fraud."

10. On June 3, 2011, Backcountry filed a Motion for Summary Judgment or to Dismiss

for Failure to State a Claim with respect to Cancellation No. 92053929.

11. On September 22, 2011, the Board granted Backcountry's motion for summary

judgment under Trademark Rule 2.127(a) and Fed. R. Civ. P. 56 and dismissed the petition for

cancellation "with prejudice." Attached as Exhibit 2 is a copy of the Board's order.

12. Less than two months later, on November 21, 2011, NSM filed the present Petition

for Cancellation of the HUCKN ROLL registration on "grounds of false suggestion of a connection,

priority and likelihood of confusion, and fraud."

The undersigned, being hereby warned that willful false statements and the like so made are

punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, declares that the facts set forth

herein are true; all statements made of my own knowledge are true; and all statements made on

information and belief are believed to be true.

DATED: January 9, 2012

Gregory M. Hess

Gregory M. Hers

2

EXHIBIT 1

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

Mc/lms

Mailed: November 10, 2010

Opposition No. 91193594

NSM Resources Corporation

v.

Backcountry.com, Inc.

Opposer, without the written consent of applicant, filed a withdrawal of the opposition on November 8, 2010.

Trademark Rule 2.106(c) provides that after an answer is filed, the opposition may not be withdrawn without prejudice except with the written consent of applicant.

In view thereof, and because the withdrawal was filed after answer, the opposition is dismissed with prejudice. 1

By the Trademark Trial and Appeal Board

¹. Applicant's motion for a continued suspension (filed November 2, 2010) is noted; however, in view of opposer's withdrawal of the opposition, it is now a moot issue.

EXHIBIT 2

UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

TDC

Mailed: September 22, 2011

Cancellation No. 92053929

NSM Resources Corporation

v.

Backcountry.com, Inc.

Respondent's motion for summary judgment (filed June 3, 2011) is hereby granted as conceded. See Trademark Rule 2.127(a) and Fed. R. Civ. P. 56.

Accordingly, the petition to cancel is dismissed with prejudice.

By the Trademark Trial and Appeal Board

EXHIBIT F



н

This case was not selected for publication in the Federal Reporter.

Not for Publication in West's Federal Reporter See Fed. Rule of Appellate Procedure 32.1 generally governing citation of judicial decisions issued on or after Jan. 1, 2007. See also Federal Circuit Rule 32.1 and Federal Circuit Local Rule 32.1. (Find CTAF Rule 32.1)

United States Court of Appeals,
Federal Circuit.
AMERICAN RICE, INC., Appellant,
v.
DUNMORE PROPERTIES S.A., Appellee.

No. 2009-1313. Nov. 16, 2009.

Background: Holder of trademark ABU BINT, a purveyor of rice, petitioned to cancel competitor's BINT ALARAB mark. The United States Patent and Trademark Office, Trademark Trial and Appeal Board denied petitioner's motion for time to conduct discovery and granted competitor's motion for summary judgment. Petitioner appealed.

Holdings: The Court of Appeals held that:
(1) petition was barred by res judicata, and
(2) petitioner did not demonstrate a need for discovery.

Affirmed.

West Headnotes

[1] Administrative Law and Procedure 15A 501

15A Administrative Law and Procedure
 15AIV Powers and Proceedings of Administrative
 Agencies, Officers and Agents

15AIV(D) Hearings and Adjudications 15Ak501 k. Res judicata. Most Cited Cases

Trademarks 382T € 1314

382T Trademarks

382TVII Registration

 $\underline{382TVII(B)}$ Proceedings Concerning Federal Registration

<u>382Tk1314</u> k. Conclusiveness and effect of administrative decisions. <u>Most Cited Cases</u>

The petition filed by holder of trademark ABU BINT to cancel competing rice purveyor's BINT ALARAB mark, alleging confusion in trade and dilution of its mark and that competitor fraudulently obtained its registration of the BINT ALARAB mark, were barred by res judicata as a result of prior proceeding wherein holder of the ABU BINT mark sought to cancel the BINT ALARAB mark on the grounds of confusion in trade and dilution; parties were identical, dismissal with prejudice of prior petition by United States Patent and Trademark Office, Trademark Trial and Appeal Board constituted a final judgment on the merits, and grounds of confusion and dilution of its mark and fraud in second petition were based on the same set of transactional facts as its prior petition, in that multiple paragraphs of second petition were, with a single nonmaterial exception, identical to prior petition, and fraud claim in second petition pointed to facts that occurred before to prior petition was filed.

[2] Trademarks 382T = 1305

382T Trademarks

382TVII Registration

 $\underline{382TVII(B)} \ Proceedings \ Concerning \ Federal \\ Registration$

382Tk1305 k. Discovery. Most Cited Cases

United States Patent and Trademark Office, Trademark Trial and Appeal Board did not abuse its discretion in denying motion brought by holder of ABU BINT mark for time to conduct discovery in response to summary judgment motion brought by holder of BINT ALARAB mark on ABU BINT mark holder's petition to cancel the BINT ALARAB mark; ABU BINT mark holder did not demonstrate how

discovery would assist it in overcoming res judicata bar to its petition.

Trademarks 382T € 1800

382T Trademarks

382TXI Trademarks and Trade Names Adjudicated

382Tk1800 k. Alphabetical listing. Most Cited Cases

ABU BINT.

Trademarks 382T € 1800

382T Trademarks

382TXI Trademarks and Trade Names Adjudicated

382Tk1800 k. Alphabetical listing. Most Cited Cases

BINT ALARAB.

*428 On appeal from the United States Patent and Trademark Office, Trademark Trial and Appeal Board. Cancellation No. 92/047,008. Michael S. McCoy, Fulbright & Jaworski L.L.P., for appellant.

Simon L. Moskowitz, Jacobson Holman PLLC, of Washington, DC, for appellee. With him on the brief was Matthew J. Cuccias.

Before MICHEL, Chief Judge, PLAGER, and LINN, Circuit Judges.

*429 PER CURIAM.

**1 The Trademark Trial and Appeal Board (the "Board") of the United States Patent and Trademark Office (the "USPTO") denied Petitioner American Rice, Inc.'s ("ARI") motion for time to conduct discovery and also granted Respondent Dunmore Properties, Inc.'s ("Dunmore") motion for summary judgment against ARI's petition to cancel Dunmore's registration of its BINT ALARAB mark. Because the Board correctly barred ARI's claims on grounds of res judicata, we affirm.

I. BACKGROUND

Both parties to this appeal are purveyors of rice.

ARI registered the mark ABU BINT with the USPTO for use on its rice (International Class 30 (U.S. Class 46)) on May 11, 1982. Dunmore subsequently registered the Mark BINT ALARAB on January, 22, 2002 for use on its corresponding rice product. On February 3, 2003, ARI filed a petition with the USPTO for cancellation of Dunmore's BINT ALARAB mark (the "2003 Petition"), alleging confusion in trade and dilution of its ABU BINT brand owing to the claimed similarity of the marks. Dunmore answered ARI's petition; however, before the period for discovery scheduled by the Board closed, ARI withdrew its petition without Dunmore's consent. Consequently, the Board dismissed the petition with prejudice pursuant to Trademark Rule 20114(c) on May 28, 2004.

FN1. ABU BINT is the English transliteration of the Arabic words meaning "Girl Brand", "Father, Daughter", "Father of a Girl", or "Father of a Daughter" in various dialects. BINT ALARAB is an English transliteration of the Arabic words meaning "Arab's Girl."

On January 22, 2007, ARI again filed a petition for cancellation of Dunmore's BINT ALARAB mark (the "2007 Petition"), again alleging confusion in trade and dilution of its mark. On March 12, 2007, Dunmore filed a motion to dismiss ARI's petition pursuant to Fed.R.Civ.P. 12(b)(6), arguing that ARI's claims were barred by res judicata. The Board determined, however, that because Dunmore's motion necessarily relied upon matters outside the pleadings (i.e., the order dismissing with prejudice ARI's 2003 petition for cancellation and the pleadings therein) the motion would be treated as one for summary judgment under Fed.R.Civ.P. 56, Trademark Rule 2.127(e), and 37 C.F.R. § 2.127(e). On June 19, 2007, ARI amended its petition to include allegations that Dunmore fraudulently obtained its registration of the BINT ALA-RAB mark. ARI also moved for time to conduct discovery.

On August 15, 2008, the Board denied ARI's motion for time to conduct discovery and, on January 9, 2009, 2009 WL 129566, granted Dunmore's motion for summary judgment against ARI's claims, holding that the claims were precluded under the doctrine of *res judicata*. ARI consequently filed the instant appeal, seeking reversal of the Board's denial of its motion for time for discovery and of its grant of summary

judgment.

II. DISCUSSION

The Board's determination that ARI's claims are barred by *res judicata* and its grant of summary judgment are questions of law that we reviewed de novo. *See Nasalok Coating Corp. v. Nylok Corp.*, 522 F. 3d 1320, 1323 (Fed.Cir. 2008); *Sharp Kabushiki Kaisha v. Thinksharp, Inc.*, 448 F.3d 1368, 1370 (Fed.Cir.2006). We review the Board's denial of ARI's motion for time to conduct discovery for abuse of discretion. *Metropolitan Life Ins. Co. v. Bancorp Services, L.L.C.*, 527 F.3d 1330, 1336 (Fed.Cir.2008); *see also* Fed R. Civ. P. 56(f).

*430 **2 The doctrine of res judicata embraces the two related concepts of claim preclusion and issue preclusion. See 3 Restatement (Second) of Judgments, Introductory Note (1982); see also Nasalok, 522 F. 3d at 1323. Claim preclusion refers to "the effect of foreclosing any litigation of matters that never have been litigated, because of a determination that they should have been advanced in an earlier suit." Nevada v. United States, 463 U.S. 110, 129-30, 103 S.Ct. 2906, 77 L.Ed.2d 509 (1983) (A final judgment is "a finality as to the claim or demand in controversy ... not only as to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose") (quoting Cromwell v. County of Sac, 94 U.S. 351, 352, 24 L.Ed. 195 (1877)); see also 18 Charles Alan Wright, Arthur R. Miller & Edward H. Cooper, Federal Practice and Procedure § 4402 (2d ed.2002). Issue preclusion, also called collateral estoppel, refers to "the effect of foreclosing relitigation of matters that have once been litigated and decided." Wright, Miller & Cooper, Federal Practice and Procedure § 4402. Because ARI's 2003 Petition for Cancellation was never litigated and decided, but rather was dismissed with prejudice upon ARI's withdrawal of its petition without Dunmore's consent, only the doctrine of claim preclusion is relevant to this case.

Typically, claim preclusion is applied against a plaintiff who initiates an action that is related to a prior action. The test for claim preclusion was set forth by this court in <u>Jet, Inc. v. Sewage Aeration Syst.</u>, 223 F.3d 1360 (Fed.Cir.2000). Under that test, a claim is precluded when: (1) there is identity of parties (or their privies); (2) there was an earlier final judgment on the

merits of a claim; and (3) the second claim is based on the same set of transactional facts as the first. <u>Jet</u>, 223 F.3d at 1362.

[1] In the case at bar, neither party disputes that the first two conditions of the test have been met, i.e., both parties agree that the parties in the case at bar are identical to the parties in ARI's 2003 Petition for Cancellation, and that the Board's dismissal of ARI's petition with prejudice constituted a final judgment on the merits of the claim. The sole issue, therefore, with respect to the preclusion of ARI's claim under *res judicata* is whether ARI's petition for cancellation on grounds of confusion and dilution of its mark and fraud are based on the same set of transactional facts as its first petition.

ARI argues that its new petition for cancellation is inevitably based upon material facts that occurred after 2003 Petition and therefore cannot be based upon the same set of transactional facts. ARI does not adduce those material facts; rather, it argues that the burden is on Dunmore to prove that no new material facts have arisen since ARI's prior petition was withdrawn without consent. Moreover, ARI argues that it also needs time to conduct discovery to uncover any material facts that occurred since the withdrawal of the 2003 petition.

**3 However, ARI's 2007 Petition is, with the exception of a single minor, nonmaterial word change, identical to its 2003 Petition. Fuz Furthermore, paragraphs 1-10 and 18-23 of ARI's amended 2007 Amended Petition are identical to the paragraphs of the 2007 Petition and, with again a single nonmaterial exception, likewise identical to those of the 2003 Petition. Therefore, in its 2007 Petition and Amended Petition, ARI's claims point to nothing that suggests*431 that its 2007 Petition is in any way unconnected to those same transactional facts alleged in the original 2003 Petition. The court finds, therefore, that the claims of ARI's 2007 Petition and Amended Petition for Cancellation are based in the same set of transactional facts as the original 2003 petition and are consequently barred by res judicata.

FN2. Paragraph 9 of the 2003 Petition reads, in part: "adjudged to have infringed the '316 Registration"; whereas the same paragraph of the 2007 Petition reads: "adjudged to have infringed Registration No. 1,195,316."

Moreover, ARI's claim of fraud against Dunmore points to alleged facts that occurred in 2000 and 2001 connected with Dunmore's application for its mark, and prior to ARI's original Petition for Cancellation. ARI claims that Dunmore falsely executed the declaration in the application for the BINT ALARAB mark, claiming it had the exclusive right to use the mark despite knowledge of ARI's mark. In short, ARI now alleges nothing concerning Dunmore's alleged fraud that was not already known to it at the time it filed its first Petition for Cancellation. Moreover, these allegations arise from the same series of transactional facts as its other claims in the 2003 Petition alleging confusion and dilution and could have been raised by ARI in its Petition at that time. Claim preclusion also extends to those claims or defenses that could have been raised in the prior action, as long as they arise from the same series of transactional facts as those in the original claims. See Acumed LLC v. Stryker Corp., 525 F.3d 1319, 1326 (Fed.Cir.2008) (citing Hells Canyon Pres. Council v. U.S. Forest Serv., 403 F.3d 683, 686 n. 2 (9th Cir.2005)). Because ARI could have litigated these claims in its 2003 Petition for Cancellation, they are likewise barred under the doctrine of res judicata.

With respect to ARI's motion for time for discovery, § 528.06 of the Trademark Trial and Appeal Board's Manual of Procedure ("TBMP") states, in relevant part:

A party that believes that it cannot effectively oppose a motion for summary judgment without first taking discovery may file a request with the Board for time to take the needed discovery. The request must be supported by an affidavit showing that the nonmoving party cannot, for reasons stated therein, present by affidavit facts essential to justify its opposition to the motion.

It is not sufficient that a nonmoving party simply state in an affidavit supporting its motion under Fed.R.Civ.P. 56(f) that it needs discovery in order to respond to the motion for summary judgment; rather, the party must state therein the reasons why it is unable, without discovery, to present by affidavit facts sufficient to show the existence of a genuine issue of material fact for trial. If a party has demonstrated a need for discovery that is reasonably directed to obtaining facts essential to its opposition

to the motion, discovery will be permitted, especially if the information sought is largely within the control of the party moving for summary judgment.

**4 The motion should set forth with specificity the areas of inquiry needed to obtain the information necessary to enable party to respond to the motion for summary judgment.

TBMP § 528.06 (2d ed., rev.2004).

[2] The Board reviewed ARI's motion and found that it inadequately and insufficiently addressed ARI's need for discovery on the issue of whether the application of *res judicata* barred ARI's likelihood of confusion, dilution, and fraud claims. The Board found that ARI failed to demonstrate any need for discovery that was reasonably directed to obtaining facts essential to opposing Dunmore's motion for summary judgment. Moreover, the Board found that ARI's ability to respond with respect to the preclusive effect of *res judicata* was not dependent upon information that was within Dunmore's control.

ARI argues, tautologically, that because it has not had an opportunity to conduct *432 any discovery, the Board abused its discretion in denying ARI's motion for time to conduct discovery on facts it believes are essential to its claims. It contends that discovery is needed with respect to facts that have occurred since ARI's withdrawal of its 2003 Petition. What ARI does not provide, however, is how the nature of any of those facts (whatever they might be) will assist it in overcoming the res judicata bar of its 2007 Petition: the claims in that Petition are identical to those of the 2003 Petition (with respect to the confusion and dilution claims) or arise from the same series of transactional facts (with respect to the claims alleging fraud). Given ARI's failure to meet the requirements of TBMP § 528.06, we cannot say that the Board abused its discretion in denying ARI's motion for time to conduct discovery. Consequently, we affirm the Board' denial of ARI's motion for time for discovery.

III. CONCLUSION

For the foregoing reasons, we *affirm* the decision of the Board.

C.A.Fed.,2009.

American Rice, Inc. v. Dunmore Properties S.A. 353 Fed.Appx. 428, 2009 WL 3806413 (C.A.Fed.)